



MEETING MINUTES
ARIZONA HOUSING FINANCE AUTHORITY
BOARD of DIRECTORS MEETING
February 12, 2015
10:00 a.m.

Location
1110 West Washington, Suite 310
Phoenix, AZ 85007

Board Members Present

Robert Gardiner
Zeek Ojeh (joined @ 10:21)
John Sundt *
Randall Pullen * (exited call @ 10:33)
Paul DeSanctis *

Others in Attendance

Michael Traylor	Dirk Swift
Theresa Hoover	Scott Ruby (joined 10:07)
William Gehrig *	Jim Stretz
Mark O'Brien	Carol Ditmore
Daniel Romm	

Board Members Absent

Members of the Public in Attendance

**Joined by phone*

1. Call AzHFA Board Meeting to Order and Roll Call (Chairperson Gardiner)

Chairperson Gardiner called the meeting to order at 10:04 a.m. Chairperson Gardiner asked for a roll call of Board members. Board members Gardiner was present, with Board members Sundt, Pullen and DeSanctis joining by phone. Mr. Ojeh arrived in person at 10:21 am after the roll call.

2. Call to the Public (Chairperson Gardiner) No action will be taken on any item presented during the Call to the Public unless such item is also listed on the agenda. Comments are limited to three (3) minutes.

Chairperson Gardiner made a call to the public. There was no response.

3. Approval of Minutes (Chairperson Gardiner) Discussion of minutes from the January 8, 2015 Board meeting: vote to approve or deny.

Vice Chairperson Sundt made a motion to approve the minutes from the January 8, 2015 Board Meeting; the motion was seconded by Secretary DeSanctis. Motion carried.

4. Treasurer's Reports (Asst. Deputy Director Carol Ditmore)

Vote to accept or reject Asst. Deputy Director Carol Ditmore's Reports for January 2015. Discussion, consideration and/or vote.

Vice Chairperson Sundt made a motion to accept the Treasury Report as presented; the motion was seconded by Chairperson Gardiner. Motion carried.

5. Update on Programs (Mr. Dirk Swift)

- a Single Family Homeownership:
 - i. Program-to-date totals: 736 loans for \$98,948,612 (\$3.96M DPA)
 - ii. Recent 90 day trend
 - 1. January 65 loans \$9,712,578 \$388,503 DPA
 - 2. December 71 loans \$10,771,081 \$430,843 DPA
 - 3. November 62 loans \$9,077,855 \$363,114 DPA
- b Multi-Family Development
 - i. There are no current multi-family revenue bond projects under review.
- c Issues / Opportunities:
 - i. We have vetted and are in the contract review stage with PLUS Agency, LLC to development and implement our Home Plus program marketing and outreach campaign. The firm is an expert in brand development and product positioning in the real estate space we are targeting. The development of collateral material and specific targeting of (1) new home builders, in Maricopa & Pinal County, including their respective captive mortgage companies and (2) the 20 local Realtor Boards throughout the State will be our initial focus.
 - ii. Some of our previously issued mortgage revenue bonds, used to financing of our mortgage and down payment assistance program are available for restructuring through either refunding or MBS sales. This can take an asset with declining value and create a more profitable income source for AzHFA.

6. Single Family Mortgage Revenue Bond Restructurings - (Mr. Dirk Swift, Mr. Jim Stretz, and Mr. William Gehrig) - Discussion, consideration and/or vote.

- a Consider, and if advisable, adopt a Resolution approving the restructuring of the 2004B, 2005 and 2007B (joint issue with the IDA of Pima) outstanding single family mortgage revenue bonds.
 - b Discussion held and questions answered by Mr. Swift, Mr. Jim Stretz of George K Baum & Company and Mr. William Gehrig, Counsel with Greenberg Traurig on the possible refunding / retirement options of the AzHFA Single Family Mortgage Revenue Bonds Series 2004B, 2005 and 2007B. Discussions and details relating to MBS Sales, Refunding Issue of Pass Through Bonds and stay the course options were summarized and further discussion and questions answered by Mr. Swift, Mr. Stretz, Mr. Gehrig and Mr. Ruby. Program Administrator Mr. Swift recommended the MBS Sale option on the 2004B and 2007B Bond Series, as it has a potential net revenue increase of +\$500,000 to the Authority.
 - c Treasurer Pullen made the recommendation to amended the Resolution, Section 1, to further define "best restructuring alternative" to include the Executive Directors approval of the restructuring when the net economic return of the restructuring is greater than the expected net economic returns if no restructuring of the Bond Issue occurred.
 - d Treasurer Pullen made the motion to approve an amended Resolution approving the restructuring of the 2004B, 2005 and 2007B SF Mortgage Revenue Bonds; the motion was seconded by Secretary DeSanctis. Motion carried.
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7. **TBA Contract Extension with Raymond James - (Mr. Dirk Swift)** - Discussion, consideration and/or vote.
 - a Consider, and if advisable, adopt a Resolution for the contract extension with Raymond James for the AzHFA Home Plus TBA.
 - b Mr. Ojeh made the motion to approve the TBA Contract Extension with Raymond James; the motion was seconded by Vice Chairperson Sundt. Motion carried.
8. **Director's Report (Mr. Michael Traylor)**

The Director provided the Board with a status update on the Hardest Hit Fund Foreclosure Prevention Program.

 - a. Mr. Ojeh, requested additional demographic information to also include location of those receiving SOHAZ assistance.
9. **Federal and State Legislative Update (Mr. Daniel Romm)**

Mr. Romm provided the Board with the Federal and State Legislative update. Included in this update was a summary of the President's Phoenix speech relating to the MIP premium reduction on FHA mortgages.
10. **Chairperson's Report/Board Member Comments (Chairperson Gardiner)**

Chairperson Gardiner made a call to Board members for any comments, issues, etc. Chairperson Gardiner had no report.

Adjourn

Chairperson Gardiner adjourned the meeting at 10:47 a.m.
